

JUN 29, 2010

STEVEN M. LARIMORE
CLERK U.S. DIST. CT.
S.D. OF FLA. - MIAMI

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 10-60195-CR-DIMITROULEAS/SNOW

18 U.S.C. § 1349

18 U.S.C. § 1341

18 U.S.C. § 1343

18 U.S.C. § 2

UNITED STATES OF AMERICA

vs.

STANLEY GLADSTONE,

Defendant.

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Candy King of America, Inc. ("Candy King") was a Florida corporation incorporated on November 12, 2002. Candy King's principal place of business was in Broward County at 284 South University Drive, Plantation, FL 33324, from November 2002 until approximately May 2004, and in Broward County, at 7890 Peters Road, Suite G 100, Plantation, FL 33324, from approximately May 2004 until approximately July 2006.

2. Candy King engaged in the sale of business opportunities to the public. Potential purchasers were told that for a minimum investment of approximately \$16,000 they would receive candy vending machines, along with assistance in establishing, maintaining, and operating a vending business. According to Candy King's sales pitch, Candy King would provide purchasers of Candy

King's business opportunity expert locating companies that would place the candy vending machines in profitable, high-traffic locations. The purchasers, referred to as "distributors," would supposedly earn substantial profits when members of the public bought items from the vending machines.

3. Candy King primarily sold two types of candy vending machines: the Candy King Triple bulk vending machine and the Altoids vending machine. The Candy King Triple had three candy canisters and could be used to dispense a wide range of bulk candy products. Candy King began offering distributorships featuring the Candy King Triple machines in early 2003 for an introductory price of approximately \$800 per machine. Candy King began selling machines that dispensed Altoids chewing gum in approximately September 2004. Distributorships featuring Altoids dispensers were offered to customers for an introductory price of \$1,600 per machine.

4. Candy King used various types of sales representatives, including "fronters," "closers," "loaders," and "BFD" salesmen. A "fronter" spoke to potential purchasers when the potential purchasers initially contacted Candy King in response to an advertisement. A "closer" subsequently spoke to potential purchasers to follow up on the initial conversation with the fronter and attempt to finalize the sale. If the closer was unable to finalize a sale, a "BFD" salesman sometimes called the potential purchaser at a later time to try to bring the sale "back from the dead." Once a purchaser sent money to Candy King to purchase a business opportunity, a Candy King "loader" contacted the purchaser to attempt to induce him or her to purchase additional vending machines, usually at a discounted price.

5. Candy King salespeople corroborated their sales claims by referring potential purchasers to individuals who claimed to already own and operate profitable Candy King business opportunities.

6. Defendant **STANLEY GLADSTONE** was the founder and President of Candy King. **GLADSTONE** misrepresented the Candy King business opportunity to potential purchasers by, among other things, overstating the amount of profits that Candy King distributors could expect to make and by falsely stating that distributors would receive quality assistance in placing, operating, and maintaining their machines.

COUNT 1
Conspiracy to Commit Mail and Wire Fraud
(18 U.S.C. § 1349)

1. Paragraphs 1 through 6 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2003 through in or around July 2006, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

STANLEY GLADSTONE,

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate and agree with others, known and unknown to the Grand Jury, to commit certain offenses, that is:

(a) to knowingly and with intent to defraud devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and for the purpose of executing the scheme and artifice, did deposit and cause to be deposited matter to be sent and delivered by U.S. mail and private and commercial interstate carrier, and did knowingly cause

to be delivered certain matter by U.S. mail and private and commercial interstate carrier, according to the directions thereon, in violation of Title 18, United States Code, Section 1341;

(b) to knowingly and with intent to defraud devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and transmit and cause to be transmitted certain wire communications in interstate commerce, for the purpose of executing the scheme, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE CONSPIRACY

3. It was the purpose of the conspiracy for **STANLEY GLADSTONE** and his co-conspirators to unlawfully enrich themselves by obtaining money from potential business opportunity purchasers by making materially false representations, and omitting to state and concealing material facts concerning, among other things, the profits that could reasonably be expected from the purchase of a Candy King distributorship, the authenticity of Candy King references, the number of distributors that were in or that would be in various geographic areas, and the services distributors would receive placing, operating, and maintaining their Candy King machines.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which **STANLEY GLADSTONE** and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

4. Candy King advertised its business opportunity through Internet advertising. Candy King's advertisements, created and approved by **STANLEY GLADSTONE**, misrepresented, among other things, the profits that could be earned by purchasing a Candy King business opportunity.

Through Internet links, Candy King's advertisements enabled potential customers to submit contact information to Candy King's sales personnel.

5. Individuals who responded to Candy King's Internet advertisements were contacted by sales personnel known as "fronters" who were Candy King's first point of contact with potential purchasers. **STANLEY GLADSTONE** and his co-conspirators instructed fronters on what to say to potential purchasers during the initial telephone sales pitch. The "fronter" provided a brief overview of the business opportunity and gathered information about the potential purchaser. Candy King fronters falsely and fraudulently claimed to potential purchasers that Candy King had a limited number of distributorships available in the potential purchaser's geographic area, and that Candy King had developed a full service, turnkey business opportunity. Fronters claimed that Candy King and the locating companies recommended by Candy King provided everything needed to start up a business and be successful, including securing profitable locations. If the fronter determined that a potential purchaser was truly interested in purchasing a Candy King business opportunity, and had sufficient funds, the potential purchaser was transferred to another Candy King salesperson known as a "closer."

6. In an initial telephone conversation with a prospective customer, the closer generally identified himself as a Route Coordinator who was responsible for setting up distributors for a particular geographic area. In truth, the closers did not specialize in any particular area of the country, did not limit the number of distributors in any geographic area, and took calls from any place in the United States. The closer and potential purchaser scheduled an appointment to speak at a time after the potential purchaser received the Candy King brochure and promotional CD, described more fully below. **STANLEY GLADSTONE** and his co-conspirators instructed Candy

King closers to make numerous materially false statements to potential purchasers about the Candy King business opportunity, including that locating companies recommended by Candy King would secure profitable, high-traffic locations for Candy King distributors to place their machines, and that Candy King business opportunities earned substantial profits resulting, on average, in a full return of the initial investment for investors in one year or sooner.

7. Using DHL Express, FedEx and other private and commercial interstate carriers, Candy King sent potential purchasers a professional-looking promotional folder and CD containing Candy King's promotional video, brochure, purchase agreement and related materials created and approved by **STANLEY GLADSTONE**. The promotional folder contained a prepaid FedEx label for the potential purchaser to deliver to Candy King a signed purchase agreement and payment.

8. For Candy King Triple distributorships, the brochure contained the following statements **STANLEY GLADSTONE** knew to be false and misleading:

(a) that "Your income starts as soon as your Vendors are on location. . . . You Collect Your Cash Immediately!";

(b) that "Vending will quickly build your net worth" and "You start building equity and net worth immediately!"; and

(c) that "Acquiring The Best Locations Most people want to get started in Vending, but don't want to do the initial placing of Machines. Don't Worry! Candy King of America, Inc. can recommend experienced, Independent, On-Site Placement specialists to assist you in finding top quality, high traffic, high volume retail locations for your Machines."

9. The Candy King Triple promotional video contained the following statements **STANLEY GLADSTONE** knew to be false and misleading:

(a) that Candy King customers would have access to full service from Candy King's "customer service department";

(b) that Candy King would refer customers to "location specialists" who "will show you more locations in your area than you have machines to place. These are high traffic, high volume locations. . . . They literally take you by the hand. They'll introduce you to each location owner. You'll get floor space assigned. . . . The bottom line is, when it comes to locations, there's no cold calling, no selling, no knocking on doors, no negotiating on your part whatsoever. Pretty much, we do it all for you";

(c) that the machines were built at Candy King's factory; and

(d) that the machines were "absolutely indestructible."

10. For Altoids distributorships, the brochure contained the following statements **STANLEY GLADSTONE** knew to be false and misleading:

(a) that "your income starts as soon as your machines are on location. . . . You Collect Your Cash Immediately!";

(b) that "Vending will quickly build your net worth" and "You start building equity and net worth immediately!";

(c) that "Acquiring The Best Locations Most people want to get started in Vending but don't want to do the initial placing of their Altoids Vending Machines. Don't Worry! Candy King of America, Inc. can recommend experienced, Independent Placement Specialists to assist you in finding top quality high traffic, high volume retail locations for your Machines"; and

(d) "Expert Independent Locating Specialists are available, at your request to place your equipment."

11. The Altoids promotional video contained the following statements **STANLEY GLADSTONE** knew to be false and misleading:

- (a) that Candy King limits the number of customers in a particular area, and that distributorships were being allocated to a select group;
- (b) that areas would no longer be available, and “once a territory is allocated in your area, it will no longer be available for distributorship”;
- (c) that routes were available and going quickly;
- (d) that Candy King customers would receive “incredible customer support”;
- (e) that the machines were built at Candy King’s state of the art manufacturing facility; and
- (f) that machine quality was a top priority and that coin mechanisms were “virtually indestructible.”

12. Content on Candy King’s websites, approved by **STANLEY GLADSTONE**, also contained the statements **GLADSTONE** knew to be false and misleading regarding the business opportunities offered by Candy King. The websites, www.candykingofamerica.com and www.altoidsvending.com, falsely and fraudulently represented, among other things:

- (a) that Candy King distributorships offered “instant cash flow” and “substantial income”;
- (b) that Candy King “limit[s] the number of distributors that we award routes to in each area”;
- (c) that Candy King “help[s] ordinary people create extraordinary income in the vending industry”;

(d) that Candy King provides “support in finding top quality, high traffic retail locations for your machines”; and

(e) that “[i]t’s not a question of whether or not you will make your money back and profit from your vending route. The only question is how long will it take. . . . ALL vendors who stay in the business and stay the course will eventually make profits.”

13. After the potential purchaser received Candy King’s promotional folder and CD, the Candy King closer made an extended sales pitch to the potential purchaser by telephone. During this sales pitch, Candy King closers made numerous materially false and fraudulent statements to potential purchasers about the Candy King business opportunity, including, among other things, expected profits, the services provided to distributors, the number of distributors in a potential purchaser’s geographic area, and that locating companies recommended by Candy King would secure high-traffic locations for Candy King distributors to place their machines. Closers further stated that the locating companies would have locations for the purchaser’s Candy King machines pre-screened, pre-qualified, and pre-sold, with the owners of each location waiting for the Candy King machines. **STANLEY GLADSTONE** and his co-conspirators instructed Candy King closers to make numerous materially false statements to potential purchasers about the Candy King business opportunity.

14. **STANLEY GLADSTONE** and his co-conspirators provided potential purchasers with the names of individual references who falsely claimed to have purchased and had success operating Candy King distributorships and who vouched for the support and assistance that Candy King provided. During the time period Candy King was in business, these phony references spoke to a number of potential purchasers of a Candy King business opportunity. Among these references

was a close relative of **GLADSTONE**. **GLADSTONE** and his co-conspirators, directly and indirectly, instructed references on what to say to potential purchasers. Among other things, references were told to tell prospective purchasers, falsely, that Candy King machines emptied on average once per month, or faster; that the machines made over \$100 per month on average; that Candy King machines performed better than other machines; that the references made their money back in one year, or sooner; that Candy King provided excellent customer service; and that the references were so successful that they ordered or planned to order more machines.

15. **STANLEY GLADSTONE** and his co-conspirators used a transaction called “Back-from-the-Dead,” or “BFD,” to attempt to resurrect any deal that the closer failed to close. If the closer was unsuccessful in closing the deal, a BFD salesman called the potential purchaser back within a few days or weeks in an attempt to resurrect the deal. BFD salesmen typically falsely represented that another person had cancelled a large order of machines for personal reasons and that, as a result, Candy King could offer the machines to the purchaser for a substantially reduced price.

16. Once purchasers agreed to make a purchase, **STANLEY GLADSTONE** and his co-conspirators instructed the purchasers to fill out a purchase order and send it back to Candy King, along with payment for the business opportunity. Payments were typically made by purchasers in one of three ways: by sending the customer’s check or credit card information to Candy King via commercial interstate carrier or the United States Postal Service, by sending the customer’s credit card information to Candy King via facsimile, or by bank wire to Candy King’s bank account.

17. **STANLEY GLADSTONE** and his co-conspirators used a transaction called a “load” to induce individuals who purchased the Candy King business opportunity to purchase more

machines. Once a distributor sent in his or her money to Candy King for an initial purchase, Candy King loaders would contact the distributor within a few days or weeks for the purpose of soliciting an additional investment. The loaders falsely claimed that another person had cancelled a large order of machines for personal reasons and that, as a result, Candy King could offer these machines to the purchaser for a substantially reduced rate. **GLADSTONE** and his co-conspirators instructed loaders to make false statements, as described above, to potential purchasers.

18. **STANLEY GLADSTONE** and his co-conspirators used customer service representatives who reassured distributors of Candy King's intentions to help secure viable locations and to make distributors' business opportunities profitable. These assurances lulled distributors into a false sense of security, postponed inquiries and complaints, and made the transaction less suspect.

19. **STANLEY GLADSTONE** and his co-conspirators concealed from potential purchasers that there were a number of Candy King distributors who were dissatisfied with their earnings and the service and support that Candy King provided by, among other things: (1) giving refunds to certain, dissatisfied distributors on the condition that they not discuss the nature of their respective grievances with anyone, including potential purchasers of Candy King's business opportunities; and (2) giving refunds to certain, dissatisfied distributors on condition that they remove Internet postings that were critical of Candy King.

20. To fraudulently induce others to purchase Candy King business opportunities, **STANLEY GLADSTONE** and his co-conspirators made, and caused others to make, numerous materially false statements to potential investors and concealed and omitted to state material facts, including, among others, the following:

Materially False Statements

- (a) That Candy King machines emptied on average every month, or sooner, when, in truth and in fact, the time frame for a machine to empty was far longer;
- (b) That Candy King machines earned an average profit of approximately \$100 or more per month;
- (c) That the average distributor earned his or her money back in one year or sooner, when, in truth and in fact, the average time frame was far longer;
- (d) That Candy King would only sell business opportunities to a limited number of people in a geographic area and that Candy King frequently sold out a particular territory in a short time, when, in truth and in fact, the only limitation to the willingness of Candy King to accept a person as a distributor was whether he or she had enough money to pay the purchase price;
- (e) That no other distributors resided in or had machines placed in a potential purchaser's geographic area of interest;
- (f) That location specialists to which Candy King referred potential purchasers would secure high traffic, high volume, profitable locations for distributors to place their vending machines in the distributor's respective local area, when, in truth and in fact, the location specialists were frequently unsuccessful at providing distributors with locations, much less quality, high traffic locations;
- (g) That the location companies recommended by Candy King had already found locations that would be available to the distributor as soon as he or she paid the investment amount to Candy King, when, in truth and in fact, the location companies did not have locations ready for the distributor in advance of being paid;

(h) That a close relative of **STANLEY GLADSTONE** and other Candy King references were bona-fide Candy King business opportunity owners, when in truth and in fact, they had not purchased a Candy King business opportunity;

(i) That Candy King references, including a close relative of **STANLEY GLADSTONE**, were successful as Candy King business opportunity owners, and had purchased or intended to purchase additional machines from Candy King, when, in truth and in fact, their machines generated substantially less revenue than what they told potential purchasers, and they did not purchase and did not intend to purchase Candy King machines in the future;

(j) That potential purchasers could expect to earn the monetary figures provided in Candy King's advertisements, promotional materials and websites, when, in truth and in fact, Candy King overstated profit figures by, among other things, failing to state that there would be delivery charges for future candy or gum orders;

(k) That Candy King machines were high quality machines with, among other things, state of the art locking mechanisms;

Omissions and Concealment of Material Facts

(l) That a frequently used reference was a close relative of **STANLEY GLADSTONE** and was not in the same position as the typical Candy King investor in that he did not pay any money for his machines;

(m) That other Candy King references were paid by Candy King in one period of time on a per deal basis for each completed sale, and later for each reference call they took;

(n) That there were a number of Candy King distributors who were dissatisfied with their earnings and the service and support that Candy King provided;

(o) That there were only a small number of keys for Candy King machines resulting in a substantial risk that Candy King distributors would receive keys that were the same as the ones given to other, nearby Candy King distributors; and

(p) That Candy King, at various times, had difficulty obtaining bulk vending products and Altoids gum for its distributors.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2 -10
Mail Fraud
(18 U.S.C. § 1341)

1. Paragraphs 1 through 6 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2003, through in or around July 2006, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

STANLEY GLADSTONE,

did knowingly and with intent to defraud devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and for the purpose of executing such scheme and artifice to defraud, and attempting to do so, did deposit and cause to be deposited matter to be sent and delivered by U.S. mail and private and commercial interstate carrier, and did knowingly cause to be delivered any matter by U.S. mail and private and commercial interstate carrier, according to the directions thereon.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for **STANLEY GLADSTONE** and his accomplices to unlawfully enrich themselves by obtaining money from potential business opportunity purchasers by making materially false representations, and omitting to state and concealing material facts concerning, among other things, the profits that could reasonably be expected from the purchase of a Candy King distributorship, the authenticity of Candy King references, the number of distributors that were in or that would be in various geographic areas, and the services distributors would receive placing, operating, and maintaining their Candy King machines.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

4. Paragraphs 4 through 20 of the Manner and Means section of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein as a description of the manner and means of the scheme and artifice.

USE OF THE MAILS

5. On or about the dates specified as to each count below, **STANLEY GLADSTONE**, for the purpose of executing and in furtherance of the aforesaid scheme and artifice to defraud and to obtain money and property and attempting to do so, by means of materially false and fraudulent pretenses, representations, and promises, did deposit and cause to be deposited matter to be sent and delivered by U. S. Mail and private and commercial interstate carrier, and did knowingly cause to be delivered any matter by U. S. Mail and private and commercial interstate carrier, according to the directions thereon, as identified below:

COUNT	APPROX. DATE	DESCRIPTION OF MAILING
2	June 30, 2005	Check in the amount of \$32,000 sent via a private and commercial interstate carrier by business opportunity purchaser L.S. in Littleton, Colorado, to Candy King in the Southern District of Florida.
3	July 7, 2005	Check in the amount of \$59,402 sent via a private and commercial interstate carrier by business opportunity purchaser R.C.H. in Ormond Beach, Florida, to Candy King in the Southern District of Florida.
4	July 28, 2005	Candy King promotional CD and materials sent by Candy King via a private and commercial interstate carrier from the Southern District of Florida to business opportunity purchaser C.M. in St. Paul, Minnesota.
5	August 5, 2005	Check in the amount of \$15,171.78 sent via a private and commercial interstate carrier by business opportunity purchaser R.H.H. in Panama City Beach, Florida, to Candy King in the Southern District of Florida.
6	August 12, 2005	Check in the amount of \$25,600 sent via a private and commercial interstate carrier by business opportunity purchaser M.S. in Oceanside, California, to Candy King in the Southern District of Florida.
7	August 15, 2005	Check in the amount of \$16,000 sent via U. S. Mail by business opportunity purchaser C.M. in St. Paul, Minnesota, to Candy King in the Southern District of Florida.
8	August 18, 2005	Candy King promotional CD and materials sent by Candy King via a private and commercial interstate carrier from the Southern District of Florida to business opportunity purchaser D.A. in Cape Coral, Florida.
9	August 30, 2005	Check in the amount of \$24,910 sent via a private and commercial interstate carrier by business opportunity purchaser D.A. in Cape Coral, Florida, to Candy King in the Southern District of Florida.
10	September 29, 2005	Candy King promotional CD and materials sent by Candy King via a private and commercial interstate carrier from the Southern District of Florida to business opportunity purchaser R.H. in Media, Pennsylvania.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNTS 11-15
Wire Fraud
(18 U.S.C. § 1343)

1. Paragraphs 1 through 6 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2003, through in or around July 2006, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

STANLEY GLADSTONE,

did knowingly and with intent to defraud devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and did transmit and cause to be transmitted, by means of wire communications in interstate commerce, any writings, signs, signals, pictures, and sounds.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for **STANLEY GLADSTONE** and his accomplices to unlawfully enrich themselves by obtaining money from potential business opportunity purchasers by making materially false representations, and omitting to state and concealing material facts concerning, among other things, the profits that could reasonably be expected from the purchase of a Candy King distributorship, the authenticity of Candy King references, the number of distributors that were in or that would be in various geographic areas, and

the services distributors would receive placing, operating, and maintaining their Candy King machines.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

4. Paragraphs 4 through 20 of the Manner and Means section of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein as a description of the manner and means of the scheme and artifice.

USE OF THE WIRES

5. On or about the dates specified as to each count below, **STANLEY GLADSTONE**, for the purpose of executing and in furtherance of the aforesaid scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted, by means of wire communications in interstate commerce, any writings, signs, signals, pictures, and sounds, as identified below:

COUNT	APPROX. DATE	DESCRIPTION OF WIRE COMMUNICATION
11	June 30, 2005	Transmission of signed purchase agreement and copy of check via fax by business opportunity purchaser L.S., in Colorado, to Candy King's office in the Southern District of Florida.
12	August 12, 2005	Transmission of signed purchase agreement via fax by business opportunity purchaser M.S., in California, to Candy King's office in the Southern District of Florida.
13	August 22, 2005	Transmission of a copy of a check via fax by business opportunity purchaser M.S., in California, to Candy King's office in the Southern District of Florida.
14	September 7, 2005	Transmission of signed purchase agreement and copy of a check via fax by business opportunity purchaser C.M., in Minnesota, to Candy King's office in the Southern District of Florida.

COUNT	APPROX. DATE	DESCRIPTION OF WIRE COMMUNICATION
15	October 7, 2005	Transmission of signed purchase agreement via fax by business opportunity purchaser R.H., in Pennsylvania, to Candy King's office in the Southern District of Florida.

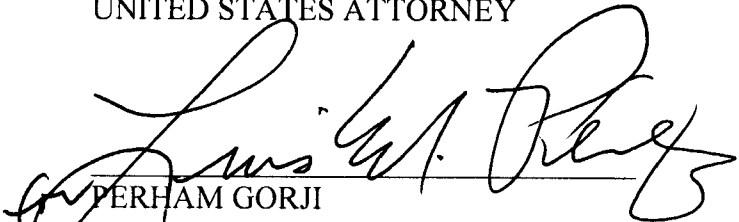
In violation of Title 18, United States Code, Sections 1343 and 2.

A TRUE BILL

~~FOR~~ PERSON



WIFREDO A. FERRER
UNITED STATES ATTORNEY



PERHAM GORJI
TRIAL ATTORNEY
U.S. DEPARTMENT OF JUSTICE

UNITED STATES OF AMERICA

CASE NO. _____

vs.

CERTIFICATE OF TRIAL ATTORNEY*

STANLEY GLADSTONE,

Defendant.

Superseding Case Information:

Court Division: (Select One)

X Miami FTL Key West WPB FTP

New Defendant(s) Yes No
Number of New Defendants
Total number of counts

I do hereby certify that:

- 1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- 2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) No
List language and/or dialect _____

4. This case will take 10 days for the parties to try.

5. Please check appropriate category and type of offense listed below:

(Check only one)	(Check only one)
I 0 to 5 days <u> </u>	Petty <u> </u>
II 6 to 10 days <u>X</u>	Minor <u> </u>
III 11 to 20 days <u> </u>	Misdem. <u> </u>
IV 21 to 60 days <u> </u>	Felony <u>X</u>
V 61 days and over <u> </u>	

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes: Judge: _____ Case No. _____

(Attach copy of dispositive order)
Has a complaint been filed in this matter? (Yes or No) No

If yes: Magistrate Case No. _____

Related Miscellaneous numbers: _____

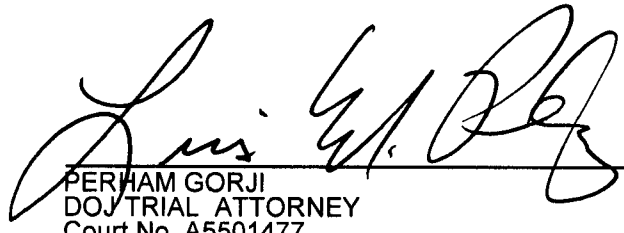
Defendant(s) in federal custody as of _____

Defendant(s) in state custody as of _____

Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) No

- 7. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? Yes X No
- 8. Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007? Yes X No



PERHAM GORJI
DOJ TRIAL ATTORNEY
Court No. A5501477

*Penalty Sheet(s) attached

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: Stanley Gladstone Case No: _____

Count #: 1

_____ Conspiracy to Commit Mail Fraud

_____ 18 U.S.C. § 1349

***Max Penalty:** _____ 20 years' imprisonment

Counts #: 2 - 10

_____ Mail Fraud

_____ 18 U.S.C. § 1341

***Max Penalty:** _____ 20 years' imprisonment

Counts #: 11 - 15

_____ Wire Fraud

_____ 18 U.S.C. § 1343

***Max Penalty:** _____ 20 years' imprisonment

Count #:

***Max Penalty:** _____

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**